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OFFICE OF HEALTH REFORM & INNOVATION
STATE OF CONNECTICUT

Basic Health Plan Work Group

Meeting
December 17, 2012
2:00pm-4:00pm
Legislative Office Building, Room 1E

Minutes

Members Present: Jeannette DeJesús, Pat Baker, Margaret Flinter, Anne Foley, Uma Ganesan (for Roderick Bremby), Sen. Terry Gerratana, David Henderson, Jennifer Jackson, Sharon Langer, Katharine Lewis (for Jewel Mullen), Jane McNichol, Deb Polun, Grant Porter (for Kevin Counihan), Rep. Betsy Ritter, Matt Salner, Keith Stover, Vicki Veltri, Katharine London, Robert Seifert

Members Absent: Sen. Anthony Musto, Pat Rehmer, Rep. Peter Tercyak, Susan Walkama, Joan Feldman, Bobbi Schmidt

Welcome and Introductions

Jeannette DeJesús opened the meeting by welcoming everyone. Members introduced themselves. Ms. DeJesús asked for a moment of silence for the victims of the shooting in Newtown.

Public Comment

There was no public comment.

Approval of Minutes of the November 19 Meeting

The minutes of the November 19 meeting were approved.

Presentation by University of Massachusetts Consultants

Robert Seifert and Katharine London, consultants from the University of Massachusetts, gave a brief presentation which led into a discussion of policy issues related to the Basic Health Plan.

Mr. Seifert said that he and Ms. London had written a memo regarding three issues that had been raised at the November meeting: the possible impact of different levels of cost sharing on take-up in the Exchange; an assessment of the possible fiscal impact of a BHP on health care providers; and updated information about “churning” between programs as incomes fluctuate. [The memo is posted on the Basic Health Plan Work Group page on the Office of Health Reform & Innovation website.](#)

Ms. London discussed a set of vignettes – examples of potential consumers who would be eligible for a BHP – which she and Mr. Seifert developed to illustrate projected consumer costs in several BHP scenarios and in the Exchange. [The vignettes are posted on the Basic Health Plan Work Group page on the Office of Health Reform & Innovation website, as are the calculations used to create the vignettes.](#)

Mr. Seifert reviewed the Work Group’s [principles, which are posted on the Basic Health Plan Work Group page on the Office of Health Reform & Innovation website.](#)

Discussion of Policy Issues

Ms. DeJesús began the discussion by saying that she had continued to talk with Kevin Counihan, CEO of the Health Insurance Exchange, about the population between 133% and 200% of the federal poverty level (FPL), which would be covered by a BHP, or by the Exchange if a BHP were not established. Mr. Counihan was unable to attend the meeting, but Ms. DeJesús said that he was committed to making sure that the Exchange offered affordable coverage to this population. Grant Porter, Senior Analyst at the Exchange, represented Mr. Counihan at the meeting, and said that the Exchange is developing a marketing and outreach plan which will be ready in early 2013. Mr. Porter said that this plan will include using assistors to enroll the population between 133% and 200% of FPL.

Mr. Seifert said that the Work Group had essentially three options in terms of its recommendation to the Office of Health Reform & Innovation and the Department of Social Services regarding a Basic Health Plan. The Work Group could recommend that:

1. The State should proceed with development of a BHP at this time;
2. The State should not develop a BHP; or
3. The State should not develop a BHP at this time, and should reconvene a work group at a later date to reconsider the question.

Rep. Betsy Ritter suggested that, given the lack of federal guidance and other information necessary to make a decision on the establishment of a BHP, the Work Group recommend the third option, that the State should not develop a BHP at this time, and should reconvene a work group at a later date to reconsider the question. Ms. DeJesús asked Work Group members if there was consensus on this recommendation, and if there was any objection to eliminating the first two recommendation options and focusing on the third. There was no objection.

Rep. Ritter proposed a recommendation to defer a decision on the establishment of a BHP until more information is available. Her proposal also recommended that the Work Group reconvene within 30 days of the issuance of formal federal guidance on the BHP, that the Exchange report quarterly to General Assembly's Public Health and Human Services Committees on several types of data concerning Exchange enrollees between 133% and 200% FPL, and that the Work Group reconvene not later than January 2015.

Anne Foley suggested that the quarterly reports from the Exchange should also be sent to members of the Work Group. Rep. Ritter agreed to amend her proposal to include this suggestion.

Mr. Porter said, with regard to the quarterly reports requested from the Exchange, that while some of the data and information would be available and reportable, some would not be able to be determined or gathered by the Exchange.

Ms. DeJesús said that the Work Group did not have the formal authority to require the Exchange to take any particular action, including providing reports to the legislature. Keith Stover suggested that the proposed recommendation be amended to request that the Exchange board ask its staff to provide the reports. Vicki Veltri suggested that the recommendations be sent to the Exchange board. Members agreed to these amendments.

Vote on Recommendation to the Office of Health Reform & Innovation and the Department of Social Services

Ms. DeJesús asked for a motion to approve the proposed recommendation as amended. Mr. Stover made the motion and Pat Baker seconded it. All members present voted in favor of the recommendation, with the exception of Katharine Lewis, representing the Department of Public Health, who abstained. The recommendation was approved.

The full recommendation is as follows:

Over the past nine months, the Basic Health Plan Work Group (Work Group) has explored the Basic Health Plan (BHP) option in the Patient Protection and Affordable Care Act and its implications for residents and the state of Connecticut. We are committed to providing affordable, quality health care coverage to individuals with incomes between 133% and 200% of the federal poverty level. The Work Group developed a set of guiding principles for its analysis and recommendation regarding a BHP. The principles are:

A. Equity

1. Do no harm. The plan should make no individual or group worse off than they are now. Policy decisions should not disrupt people's lives.
2. The plan should not require lower income individuals to subsidize costs for higher income individuals.

B. Access

1. Care and services under the BHP should be available at least to the same extent that such care and services are available to the general population in the geographic area.
2. The program design should promote access to high quality, comprehensive care and continuity of care.

3. Payment methods should promote value (high quality at an efficient cost) rather than volume.

C. Sustainability

1. The plan should be sustainable and financially sound.
2. The plan should require no additional state funding.
3. The plan should include design features to reduce the risk of cost overruns.
4. The plan should maximize federal revenue.

Due to the uncertainties outlined in reports and analyses by Milliman and the University of Massachusetts, as well as the lack of federal guidance and other information needed to make a decision about whether to proceed with a Basic Health Plan in Connecticut, **we propose that the decision on whether to adopt a Basic Health Plan be deferred until there is further information available to evaluate the costs and benefits of a Basic Health Plan.**

We recommend that the Work Group reconvene within 30 days of the issuance of formal guidance from the federal government on a BHP to consider whether to adopt a BHP in light of the federal guidance.

We further recommend that the Health Insurance Exchange Board of Directors ask its staff to:

- Develop mechanisms for tracking data needed to inform a decision about the best way to provide coverage for the population eligible to participate in a BHP.
- Report quarterly to the Committees on Public Health and Human Services of the General Assembly, and the members of the Work Group, beginning on March 31, 2014 on:
 - Number of individuals in households with incomes between 138% and 150% of the federal poverty level (FPL) enrolled in Qualified Health Plans at any time since January 1, 2014.
 - Number of individuals in households with incomes between 150% and 200% FPL enrolled in Qualified Health Plans at any time since January 1, 2014.
 - Number of individuals in the target income populations continuously enrolled for the calendar year (CY)
 - Number of individuals in the target income populations who enroll in Qualified Health Plans and subsequently (a) become eligible for Medicaid or (b) have income over 200% FPL
 - Number of individuals in the target income populations enrolled at the end of the CY (This number would only be reported at the end of the CY.)
 - The cost of the second lowest priced Silver Premium Plan in the Exchange
 - Number of individuals in the target income populations who experienced gaps in coverage
 - Health care services accessed by these individuals
 - Costs of providing health care services to these individuals and
 - Costs to the individuals of accessing health care through the Exchange
 - Other information determined to be needed to evaluate the cost and benefits of a BHP.
- At the end of CY 2014, conduct a survey of individuals in the target income groups who lost coverage, other than coverage in Medicaid, obtained through the Exchange during the 2014 CY. The purpose of the survey is to determine the reasons for loss of coverage.

Finally, we recommend that the Work Group be reconvened, by the Office of Health Reform & Innovation or the Office of the Lieutenant Governor, no later than January 31, 2015, and review the costs and benefits of a BHP in light of the experience of individuals in the target income group in the Exchange and of federal guidance, if available, and make a recommendation to the Governor and the Committees on Public Health and Human Services on whether Connecticut should establish a BHP.

Adjournment

The meeting was adjourned at 3:30pm.